

**REMARKS:**

Claims 1-65 are in the case and presented for consideration.

All of the claims 1-65 have been rejected based on a single combination of references as obvious pursuant to 35 U.S.C. §103. The treatise, "Risk Management & Analysis", edited by C. Alexander, Vol. 1, John Wiley & Sons (1996) (herein, "Alexander") taken in combination with the teachings of U.S. Patent 6,202,060 to Tran ("Tran '060") are cited as making all of claims 1-65 obvious. In the statement of the rejection, reference is made to the index and to 20-100 page sections of Alexander in support of the disclosure of certain features by the treatise.

Applicant submits that the cited Alexander treatise does not teach all of the elements of the invention. Further, those elements for which Alexander is relied upon are not disclosed with any specificity, so that one skilled in the art could not produce the applicant's invention from Alexander without the impermissible use of hindsight. Thus, it is applicant's position that the invention recited in each of independent claims 1, 18, 29, 56 is not made obvious from Alexander alone or in combination with the Tran '060 reference. Further, applicant respectfully submits that Tran '060 does not in fact disclose the features for which it is cited in the statement of the rejection.

Accordingly, the rejection of the four independent claims and their dependent claims is respectfully traversed, as discussed further below.

Initially, applicant notes that pages v-viii of the index of Alexander and pages 12-40, 125-236 and 245-267 are generally cited as teaching elements of the invention. Specific reference to disclosures in the treatise relating to the features Alexander is cited for teaching were not provided.

Index pages v-vi are generally cited as teaching a risk assessment system. The

index topics do generally indicate that different models for risk assessment are known, but no detail is provided, and one cannot derive any particular teaching from the index.

Index page viii and pages 209-222 are cited as disclosing a plurality of risks associated with an operation being managed.

Pages 125-236 are cited as teaching determining actual risk levels values for risk factors.

Page 161, index page vi and pages 245-267 are referenced as disclosing determining whether risk level values are acceptable or unacceptable.

Pages 12-40 have been cited as disclosing a risk reporting and management system wherein there are risk levels described nominally.

Applicant notes that the risk described and evaluated in the large sections of text cited is different from that claimed. The risk described in Alexander relates to the risk associated with financial instruments, such as equities and bond instruments, not with business operations and functions. That is, Alexander is describing evaluation and treatment of beta values for portfolio holdings. There is a significant difference between "risk" values of portfolio holdings, and risk analysis of business operation functions. The risk analysis referred to in Alexander deals with managing an investment portfolio to minimize the risk of loss of value of the portfolio, which in some instances is known as hedging. The risk analysis claimed by applicant is done on business management operations to ensure compliance with standards and to evaluate the compliance of a given measured risk factor. The reference methods and reports and those claimed by applicant may be called by similar names, but they are clearly different processes and result in clearly different reports.

For example, chapters 6 and 7 of Alexander (the page numbers are missing from

most pages of applicant's copy of the Alexander reference) do describe risk analysis systems, but with respect to trading systems. That is, the Alexander treatise describes risk analysis primarily in terms of financial portfolio management. Even when discussing front, middle and back office operations, the focus is on how each segment will analyze and evaluate the risk associated with an investment portfolio, not how to evaluate and manage aspects of the business operations.

Alexander simply does not teach or suggest a risk assessment system or method which includes identifying risk factors of a business operation, identifying value ranges for each of the risk factors, determining the risk level value for each risk factor, associating a visual indicia with the risk level value based on the risk level value and generating a report including the visual indicia.

With respect to Tran '060, reference is made to Figs. 28 and 29 as teaching generating a risk management report. Applicant notes that none of the brief description of the drawings (col. 4), the detailed description of Figs. 28 and 29 (cols. 35-37) or the figures themselves contain any mention of "generating a risk management report" as stated in the rejection. In fact, Figs. 28 and 29 illustrate flowchart processes for collecting information during a meeting and for following up on outstanding action items using a computer. Neither of these processes is particularly relevant to the present invention.

Fig. 25 of Tran '060 is further relied upon as teaching displaying results. However, Fig. 25 of Tran '060 is a flowchart related to searching a database and displaying search results. Fig. 25 has absolutely nothing to do with displaying a risk management report; rather each step indicates a search-related function, except for the last step, which is "display results" of the search that was just performed in the

preceding steps.

It should be noted that the intent of Tran '060 is to provide a portable computer system for managing data input in a variety of forms from many different types of devices and transmitting a display of the portable computer to a larger fixed display when in close proximity. See Summary of the Invention, cols. 2-3. Among other things, the invention of Tran '060 includes a smart search engine for locating entered data. But, Tran '060 is not concerned with applications such as risk management.

The passage relied upon as a motivation for combining the references is also not well taken. At col. 2, lines 12-15, Tran '060 simply states that, "applications such as spreadsheets, databases, project planning tools and CAD/CAM systems required large display areas to quickly and conveniently interact with users." All this passage suggests to the reader is to use a very large computer monitor when viewing a spreadsheet or one of the other applications. The cited passage does not provide any motivation to combine the teachings of Tran '060, to the extent they are relevant, with those of Alexander.


~~Finally, applicant submits that neither Alexander nor Tran '060 teaches at least~~  
one claimed feature of the invention which is present in each independent claim. Independent claims 1, 18, 29 and 56 each recite the presence of a visual indicia in a report, the visual indicia being associated with and indicative of a risk level value. The statement of the rejection in the action does not address this claimed feature of the invention, and applicant believes that the references do not disclose the use of visual indicia as claimed by applicant.

The Alexander-treatise alone or in combination with Tran '060 cannot be taken to make the claimed invention anticipated or obvious. The cited combination of references, or even the Alexander reference taken alone, fails to teach or suggest the applicant's claimed invention, since a claimed element present in each independent claim is not disclosed or suggested by the references. Therefore, the application and claims are believed to be in condition for allowance, and favorable action is respectfully requested.

If any issues remain which may be resolved by telephonic communication, the Examiner is respectfully invited to contact the undersigned at the number below, if such will advance the application to allowance.

Favorable action is respectfully requested.

Respectfully submitted,



Mark A. Conklin  
Reg. No. 39,148  
Attorney for Applicants  
(845) 359-7700

Dated: July 8, 2003

**NOTARO & MICHALOS P.C.**  
100 Dutch Hill Road, Suite 110  
Orangeburg, New York 10962-2100

**Customer No. 21706**